

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6597

BILL NUMBER: HB 1252

DATE PREPARED: Dec 20, 2001

BILL AMENDED:

Subject: Self-Directed Care Services.

FISCAL ANALYST: Kathy Norris

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FUNDS AFFECTED: X GENERAL
DEDICATED
X FEDERAL

IMPACT: State

Summary of Legislation: This bill permits certain individuals who are not licensed health care professionals to provide health-related services to individuals who need in-home care services. The bill provides a two-year registration period for personal services attendants. It also repeals the self-directed care services expiration provision. The bill also establishes temporary bookkeeping and payroll service requirements. It further requires the Division of Disability, Aging, and Rehabilitative Services to adopt payment and record keeping rules. (The introduced version of this bill was prepared by the Health Finance Commission.)

Effective Date: Upon passage.

Explanation of State Expenditures: This bill establishes temporary record keeping, bookkeeping, and payroll service requirements for individuals who employ personal services attendants for self-directed care services. The requirements are intended to provide financial services to ensure that proper employment-related tax forms are filed and payroll withholding taxes are processed and disbursed correctly. The bill also requires appropriate documentation of hours worked and the relationship to the approved care plan. Currently, the Division of Disability, Aging, and Rehabilitative Services (DDARS) constructs the rates paid for home health care services attendants with an administrative component included for payments to agencies that employ the attendants. DDARS officials report that the financial services required in the bill should require no additional funding since the rate structure already has the administrative component which would not have been paid to an individual serving as the employer of the attendant.

Explanation of State Revenues: The bill also extends the required registration period for personal services attendants from one year to two years. The Division is required to establish a registration fee and charge the fee annually under the current statute. This provision may result in lower collections depending upon the ultimate level of the fee in relation to an annual assessment or a biennial assessment. DDARS has not implemented the provisions of P.L.255-2001 and has not established the amount of the registration fee at this time. The revenue impact, if any, of this provision is unknown until the fee is established by the Division.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: The Family and Social Services Administration, Division of Disability, Aging, and Rehabilitative Services.

Local Agencies Affected:

Information Sources: Amy Brown, Legislative Liaison for FSSA, (317) 232-1149; Alison Becker, Deputy Director - Fiscal Services, Division of Disability, Aging, and Rehabilitative Services, (317) 234-1527.